



U.S. Department of Justice
United States Attorney
District of Kansas

NEWS RELEASE

Eric Melgren, U.S. Attorney

Contact: Kena Rice

(316) 269-6481

Headquarters

1200 Epic Center
301 N. Main
Wichita, Kansas 67202
(316)269-6481
FAX (316)269-6484

Topeka Office

444 Quincy
Topeka, Kansas 66683

Kansas City Office

500 State Avenue
Suite 360
Kansas City, Kansas
66101

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April 13, 2004

WICHITA MAN SENTENCED FOR BANK FRAUD

WICHITA, Kan. – United States Attorney Eric Melgren announced that **Richard Boushka, 69, Wichita, Kansas**, was sentenced today by U.S. District Judge Wesley E. Brown to 70 months in federal prison, without parole, to be followed by five years of supervised release, and ordered to pay a total of \$4,625,552 in restitution to include \$3,300,522 to the shareholders of American Bank, \$1,175,000 to O'Connell Engineering and Financial, Inc., and \$150,000 to others defrauded by Boushka.

Melgren said that Boushka entered a guilty plea on December 2, 2002, to two counts of bank fraud, one count of making a false statement to obtain a loan, and one count of the omission of material information in the sale of a security.

Melgren stated that Boushka admitted at his plea that from March 1998 through September 1998 he executed a scheme to obtain money owned by American Bank by means of false pretenses. Boushka, the owner of Ovelle Holdings, Inc., (Ovelle) a business located in Wichita, Kansas, admitted at his plea that he used false loan documentation to obtain loans from American Bank knowing that neither he nor Ovelle Holdings had the financial ability at the time to repay the loans. Boushka further admitted that from September 1998 through December 1998 he made false statements and willfully overvalued collateral to obtain a \$10,000,000 loan from American Bank. Boushka also admitted that in September 1999 he sent a proposal by fax from Kansas to Massachusetts to Michael Downey, President of O'Connell Engineering and Financial, Inc., proposing that O'Connell transfer \$1,500,000 to a bank account of Ovelle Holdings, Inc., in New York to be used as part of an international bank note trading program. Boushka admitted that he promised to return the \$1,500,000 to O'Connell within seven to ten days and to pay an additional \$3,500,000 to O'Connell for the use of the money within 30 days. Boushka further admitted that he signed a personal guaranty of Ovelle Holding's promise to return the \$1,500,000 in seven to ten days. Boushka admitted that he did not tell Mr. Downey that he had a substantial negative net worth and that his

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personal guaranty was of no monetary value. On September 30, 1999, O'Connell wire transferred the \$1,500,000 from a bank in Massachusetts to Ovelle Holdings' bank account in New York.

Co-defendant **Alberto Lopez**, 50, New York City, New York, was sentenced on May 23, 2003, to 30 months in federal prison, without parole, to be followed by two years supervised release, and ordered to pay \$25,000 in restitution. Lopez entered a guilty plea on February 28, 2003, to one count of conspiracy to commit bank fraud.

Co-defendant **Alejandro Badilla**, 40, Miami, Florida, was sentenced on February 10, 2003, to two years probation. Badilla entered a guilty plea on November 25, 2002, to one count of misprision of felony.

Melgren commended the excellent work of the FBI in this investigation.